SENATE BILL 2624 By Haynes

AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 27, relative to the Horizontal Property Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 27, is amended by adding the following new sections thereto, to be appropriately designated:

Section ____. (a) No written contract between a party contracting to provide maintenance or management services and a condominium association which provides for operation, maintenance, or management of a condominium shall be valid or enforceable unless the contract:

- (1) Specifies the services, obligations and responsibilities of the party contracting to provide maintenance or management services to the condominium owners:
- (2) Specifies those costs incurred in the performance of those services, obligations, or responsibilities which are to be reimbursed by the condominium association to the party contracting to provide maintenance or management services:
- (3) Provides an indication of how often each service, obligation, or responsibility is to be performed;
- (4) Specifies a minimum number of personnel to be employed by the party contracting to provide maintenance or management services; and

- (5) Discloses any financial or ownership interest it may have with the developer of the condominium project.
- (b) Any services or obligations not stated on the face of a contract shall be unenforceable.
- (c) The provisions of this section shall not apply to contracts or services or property made available for the convenience of condominium owners by lessees and licensees of the condominium association, such as coin-operated laundry units, food vendors, beverage vendors, telephone vendors, retail store operators, restaurants, and other such vendors.

Section ____. (a) Each condominium owner and each condominium association shall be governed by, and shall comply with, the provisions of this chapter, the master deed or master lease, and its adopted bylaws. Actions for damages or injunctive relief, or both, for failure to comply with this subsection may be brought by a condominium owner or condominium association.

(b) If the bylaws so provide, the condominium association may levy reasonable civil penalties against a condominium owner for the failure of the owner, or such owner's occupant, licensee, or invitee, to comply with any provision of the bylaws. No civil penalty shall become a lien against a condominium. No civil penalty may exceed twenty-five dollars (\$25.00) nor may any civil penalty be levied except after giving reasonable notice and an opportunity for hearing to the condominium owner and, if applicable, to such owner's licensee or invitee. The provisions of this subsection shall not apply to unoccupied condominiums.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

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